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RUEHBS/USEU BRUSSELS PRIORITY
RUEHBS/FAA EUROPE AFRICA MID EAST RGN HQ BRUSSELS BE PRIORITY
RULSDMK/DEPT OF TRANSPORTATION WASHINGTON DC PRIORITY
RHMCSUU/FAA NATIONAL HQ WASHINGTON DC PRIORITY

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SIPDIS

SENSITIVE

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PLEASE PASS TO EEB/TRA (WALKLETT-TIGHE), EUR/ERA AND
EUR/AGS (O'KEEFFE)

E.O. 12958: N/A
TAGS: EAIR EINV SENV PREL GM EU
SUBJECT: KEY BUNDESTAG MEMBER INTERESTED IN WORKING WITH
USG ON AVIATION EMISSIONS

REF: A. A. SECSTATE 83246
     ¶B. B. 06 BERLIN 3519

¶1. Please note action request contained in paragraph 6.

¶2. (SBU) Summary: Bundestag Transportation Committee Chairman
Klaus Lippold (CDU), in a meeting with emboffs, offered to
assist us in building a consensus in favor of tackling
aviation emissions in a manner that would overcome U.S.
objections and win broad international acceptance. Lippold
is specifically looking for input on whether the Emissions
Trading Scheme (ETS) is a complete non-starter with the USG
and what alternate solutions the USG would be receptive to at
the International Civil Aviation Organization (ICAO)
Conference in September. Further information beyond that
outlined in Reftel would help him to press for greater
flexibility in the European Union position and increase the
likelihood of a mutually satisfying conclusion at ICAO. End
summary.

¶3. (SBU) Responding to emboffs' presentation on USG concerns
that the European Commission's proposal contradicts ICAO's
decision in 2004 to include such emissions only on the basis
of mutual consent among states, Lippold stated his preference
for global consensus on whatever approach the international
community adopted. Growing impatience within the EU over the
lack of progress in ICAO in reducing such emissions, Lippold
noted, is strengthening the position of those in the EU who
argue the EU should act on its own to include civil aviation
in the ETS. An important ally who helped defeat a proposed
airfare tax last year, Lippold also expressed concern that
EU-based airlines would suffer a competitive disadvantage if
the ETS did not apply to non-EU airlines as well. He was
particularly concerned about the ability of non-EU members
such as Switzerland to attract business away from the EU.

¶4. (SBU) Lippold, who keeps in close contact with his party
colleagues in the European Parliament Transportation
Committee, said that he did not expect the Committee to
approve any initiatives for a resolution before the September
ICAO Conference. He and his colleagues were not aware of any
such plans in other EU parliamentary committees. He said the
EU Parliament's Environment Committee will begin looking at
the proposal on June 25.

¶5. (SBU) Lippold, who first met with EMIN in December 2006 to
discuss USG concerns (see reftel B), asked if the USG had

shifted its position at all due to G8 Summit announcements on climate change and whether the USG regarded ETS as "the wrong instrument" to deal with aviation emissions. He particularly sought to clarify whether the USG would accept any solution involving ETS or would reject ETS out of hand as a way to deal with greenhouse gas emissions resulting from civil aviation. He also asked if the USG had any alternate solution that would achieve comparable reductions in lieu of incorporating non-EU airlines in the ETS. Lippold said a timely response to such inquiries, ideally prior to the July 6 start of the Bundestag July recess, could assist him to shape his party's stance ahead of the ICAO Conference.

¶6. (SBU) Action Request: Request guidance for use in responding to Lippold's request for further information to assist our consensus building efforts and his inquiries regarding approaches to emissions reductions that are acceptable to the USG.

TIMKEN JR